



DFAS FCP Customer Conference

Presented by:

Military Pay Operation Transition Group
J une 22, 2004

Your Financial Partner @ Work



DFAS Support for DIMHRS

- DIMHRS is still the goal
 - DOD objective - integrated personnel/pay system
- DFAS continues its strong support for DIMHRS
 - DFAS has supported DIMHRS since its inception
 - Created pay and pay-related personnel requirements
 - Assisted with data and automation requirements
 - Was an active partner in the selection of the DIMHRS COTS software foundation (PeopleSoft) and the Developer/Implementer Contractor
 - Resources located at both the Joint Requirements and Integration Office (JR&IO) and the Joint Program Management Office (JPMO)
 - Active participation in DIMHRS IPTs
 - Additional resources for Liaison support
- DFAS will fully share FCP architecture and products with the DIMHRS JPMO and Northrop Grumman

Forward Compatible Payroll (FCP) Goals

- Support DoD Long Term Objective of Integrated Personnel and Pay System
- Full Replacement of Defense Joint Military Pay System - Active and Reserve
- Interim Payroll Solution to Defense Integrated Military Human Resource System (DIMHRS) Utilizing DIMHRS COTS Software (PeopleSoft HRMS/Global Payroll) and DIMHRS Pay Requirements
- Implement Modern, Integrated and Standardized, all Component, Military Payroll System for Army, Air Force, Navy
- Improved Mobilization Pay Support
- Payroll and Budgetary Reports based on Regulatory, Statutory and Financial Management Requirements

FCP System Overview

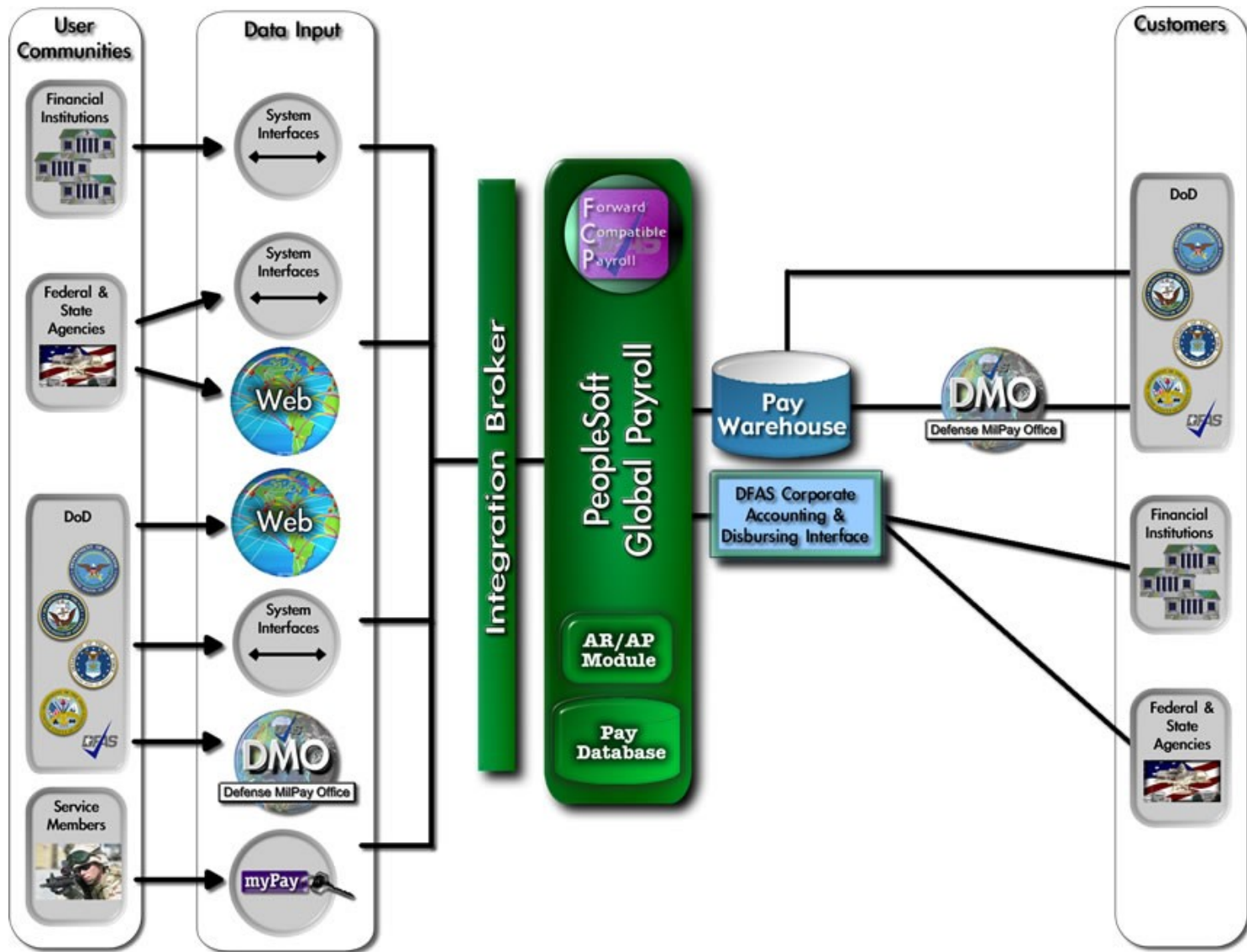
- Reuses existing military personnel and pay data interfaces to collect appropriate data for the purpose of generating, reporting and distributing accurate military pay.
- Replaces current legacy COBOL system with modern relational database commercial off-the-shelf (COTS) solution
 - Proven industry application and PeopleSoft validated approach
- Eliminates near term risk of catastrophic DJMS system failure
- Promotes customer-oriented military pay business process reengineering
- Facilitates implementing mandated military pay software changes in weeks rather than months or years
- DJMS replacement begins by March 2005 and completes by March 2006 (Army, Air Force, Navy)

FCP Features

- Single Logical Record (AC/RC Integration)
- Improved Mobilization Support
- Improved Data Accuracy
- Reduced Manual Workarounds
- Reduction in Cost to Maintain/Number of Expert Field and Corporate Personnel
- Improved Customer Service
- Enhanced Member Self Service
- Online Input/Updates Provide Near Real Time Processing and Results
- Minimal Change to End Users
- Reduction in Redundant Data Entry
- Pay Warehouse Support for Financial Management/Operations
- Standardized Business Rules, Data and Reports
- Rapid Response to Legislative and Policy Changes
- Reduction in Duplicative and Unmanageable Interfaces and Reports



FCP Functional Overview



FCP Schedule

- FCP Core Engine - PeopleSoft© Global Payroll/HRMS
Prototype - Complete October 2003
- FCP Prototype 2 - Complete December 2003
- Complete Initial Assembly - April 2004
- Enter Full Scale Conversion and End to End Test - April 2004
- Enter System Acceptance Test - August 2004
- Conduct Operational Test Readiness Review - October 2004
- Complete Operational Test and Evaluation - December 2004
- Milestone C Approval - February 2005
- Initial Operating Capability (Army Reserve, Guard) - March 2005
 - Army Active - July 2005
 - Air Force (Active, Reserve, Guard) - November 2005
- Full Operating Capability (Navy Active, Reserve) - March 2006

Current Activities

- **Development**
 - Configure PeopleSoft© Global Payroll
 - Configure Integration Broker, AR/AP Component
 - Integrate with DFAS Corporate Accounting and Disbursing Interface (DADI)
 - Integrate with Defense MilPay Office (DMO)
- **Test**
 - Integration Testing - Computation
 - Parallel Testing - DJMS Comparison
- **Data**
 - Data Cleanup
 - Data Transformation

Current Activities

- Reports and Interfaces
 - Requisite Reports and Interfaces
 - Pay Data Warehouse
- Transition
 - Training Plan
 - FCP 101 Course
 - Communication Plan
 - Organization Analysis



Communications

- Briefing
- Demos

Processing Requirements

- **Development**
 - Complete Configuration of PeopleSoft© Global
 - Complete AR/AP, Integration Broker, Pay Warehouse
 - Complete Requisite Reports and Interfaces
- **Test**
 - Conversion and End to End Testing
- **Data**
 - Convert Data
 - Reconcile Discrepancies
- **Transition**
 - Execute Communications Plan
 - Document Business Processes
 - Perform Training



Current DMO Initiatives

- myPay Allotments DMO Feed Completed Feb 04
 - myPay Deployment Target Aug 04
- Establish Web and Mid-Tier Environment at DECC-ME
- Replace UMIDS and EARS on Ships
 - Procure and Test “HiT” COTS Encryption Solution
 - Establish Shipboard Prototype
- myPay Mobile
 - myPay Look-Alike for Disconnected sites
 - Designed for Ships, Applicable to Anywhere with a Server
 - Develop Prototype
 - Access Via CAC or Local PIN
 - Security and Data Transmission Bandwidth Assessment



DMO Central Site

- Will Replace JDC II and Other Legacy Applications
- All RC Support Offices Using DMO Now (DE, CL, IN)
- Transition All DFAS Central Site DJMS AC Users
 - Adding All Central Site Unique Processing
 - Established “Super User” Prototype (Sep 03 to Feb 04)
 - Initial Installation Is the Same DMO Version as Field
 - Next Installation Will Provide Central Site Unique Transactions
 - Over 170 Programs Added to DMO Baseline
 - Commenced Testing March 1, 2003
 - First Users Will Be “Super User Group”
- IPR on Feb 26th
 - Discussed Testing and Baseline Expansion
 - Working Transition Issues



DMO/FCP Approach for IOC

- **Keep DMO as Unchanged as Possible**
 - Ensure Operational Capabilities Are Maintained
 - Avoid Changes in Field Technical Architecture
 - Minimize Training Needs (Same Look & Feel)
- **Add Capability Where Practical**
 - New Query Tools and Security
- **Provide Enhancements & Changes That Assist Transition**
 - Updated Help Screens
 - Flexibility for Multiple Support Environments (DJMS & FCP)
 - New Tools and Improved Views
- **Establish Development Methodology for Post IOC**
 - DMO Web Processing

DMO/FCP Development for IOC

- Connect DMO Data Stream to FCP
 - Necessary for Pre-Fill, Validations, Inquiry, and Queries
- Enhance Pay Record Inquiry (DSIS) View for FCP
 - Starting with Pay Summary
 - Adding Payments Tab
 - Working Member Friendly View for Use in Finance Offices or myPay
 - Modify Views for Expanded Use Outside the Finance Office
- Standardizing the DMO MMPA database to receive data from both DJMS and FCP
- Change/Add Transaction Screens as Necessary
 - Develop Input Screens to Automate Current “Work Around” Transactions
 - Consolidate Multiple RC Address Screens
- Provide Additional Queries



Duplicate Active Accounts

- Validate business rules for selecting accounts that exist on multiple systems to convert to FCP
 - Only current 'active' DJMS-AC or DJMS-RC accounts will be converted
 - Identify accounts that are active on both DJMS-AC & DJMS-RC and establish conversion rules
 - Collaborative effort with the Services to reconcile accounts existing on both systems



Domain Value Discrepancies

- Develop business rules to correct domain values that can not cleanly convert from DJMS to the Staging Database and FCP
- Provide file searches of data to applicable field Personnel or Finance Offices for correction.
- Develop logic business rules to correct in the Conversion Database where practical
- Examples
 - Open Entry Dates - Convert to “Null”
 - Invalid ETS Dates “888888” for indefinite ETS - Convert to valid future date, such as 2022
 - 29 February Pay Dates in “Non Leap Years” - Change Pay Dates to March 1
 - Missing, invalid, or out of sequence dates on ROTC Student Master and Reserve Component Bonus History Files



Illogical Condition Searches

- Pay Condition File Searches are developed to identify erroneous or illogical pay conditions in DJMS-AC and RC
- Errors are pay affecting and must be corrected prior to conversion
- Examples
 - OHA Without Dependents - COLA with dependents
 - Erroneous State Tax Code - "98" Undeclared
 - Pay Dates not adjusted for lost time in current enlistment
 - Expired Officer ETS Dates - Still receiving pay

Collaborative Activities Supporting Conversion

- MPTG is identifying and assisting with mapping all workarounds to ensure the Integration Broker can identify and translate impacted data to automated FCP transactions
- Mil Pay Ops or Service Personnel assistance may be required to identify entitlement recipients when two or more pay items are paid with the same transaction
- Identified to date:
 - 97 Domain Value Discrepancies
 - 50 Inconsistent Conditions
 - 15 Workarounds



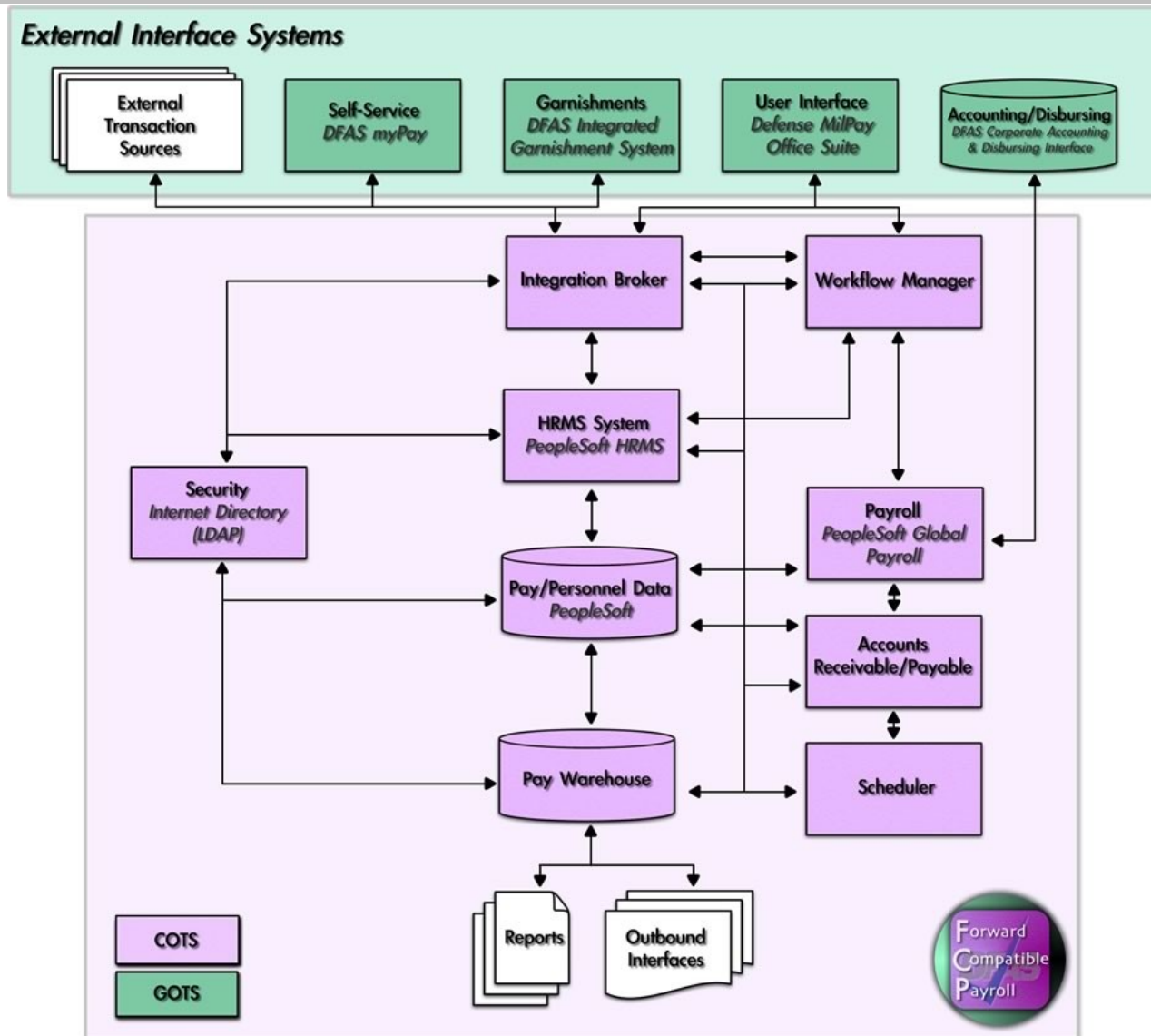
FCP Development Process

- Architect and Implement Standard Design Components and Infrastructure
 - Common design/processing stream for Active and Reserve military pay
 - Foundation infrastructure need to support all military pay entitlements and deductions
 - Foundation for Pay Warehouse interfaces and reports
- Level of effort (LOE) projections for all entitlements and deductions now based on engineering experience

FCP Technical Capabilities/Characteristics

- Creates a common active/reserve/guard military pay process and a single database
 - Common pay calculation routines for all services
- Maximum use of COTS “vanilla” and modern GOTS products
- Standardized Business Rules, Data and Reports
- FCP utilizes relational, table driven technology
- Uses DIMHRS COTS Software base and Pay Requirements
- FCP provides extensive Audit Trails
- Flexibility to operate in a multitude of environments: Connected - Corporate Server, Local Area Network/Disconnected - Deployed Environment
- Pay warehouse utilized Relational Operational Data Store and Data Mart technologies to provide improved financial management and operational support
- Online input and updates provides near real time processing and results

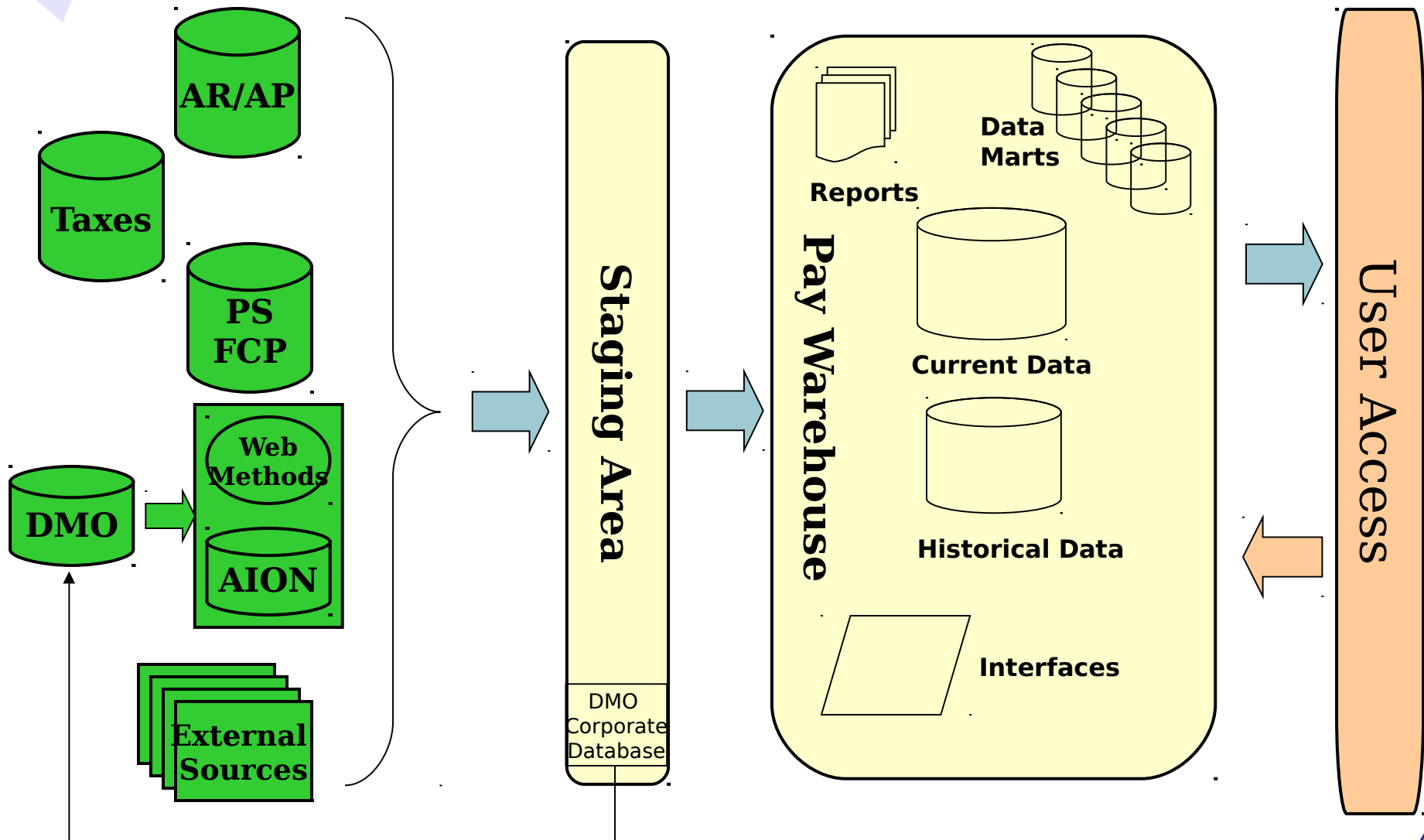
FCP System Architecture



Pay Warehouse Functions

- Provide a corporate repository for all FCP data
- Support the operational flow of data
 - Daily and near-real-time data flows
 - Primary sources are the FCP components
 - External sources when needed (e.g. LES Remarks)
- Support the reporting functions associated with military pay, military pay accounting and disbursing
 - Producing Interfaces with other Agencies/systems
 - Providing for the information needs of the user communities

Data Flow Conceptual Architecture



FCP Security

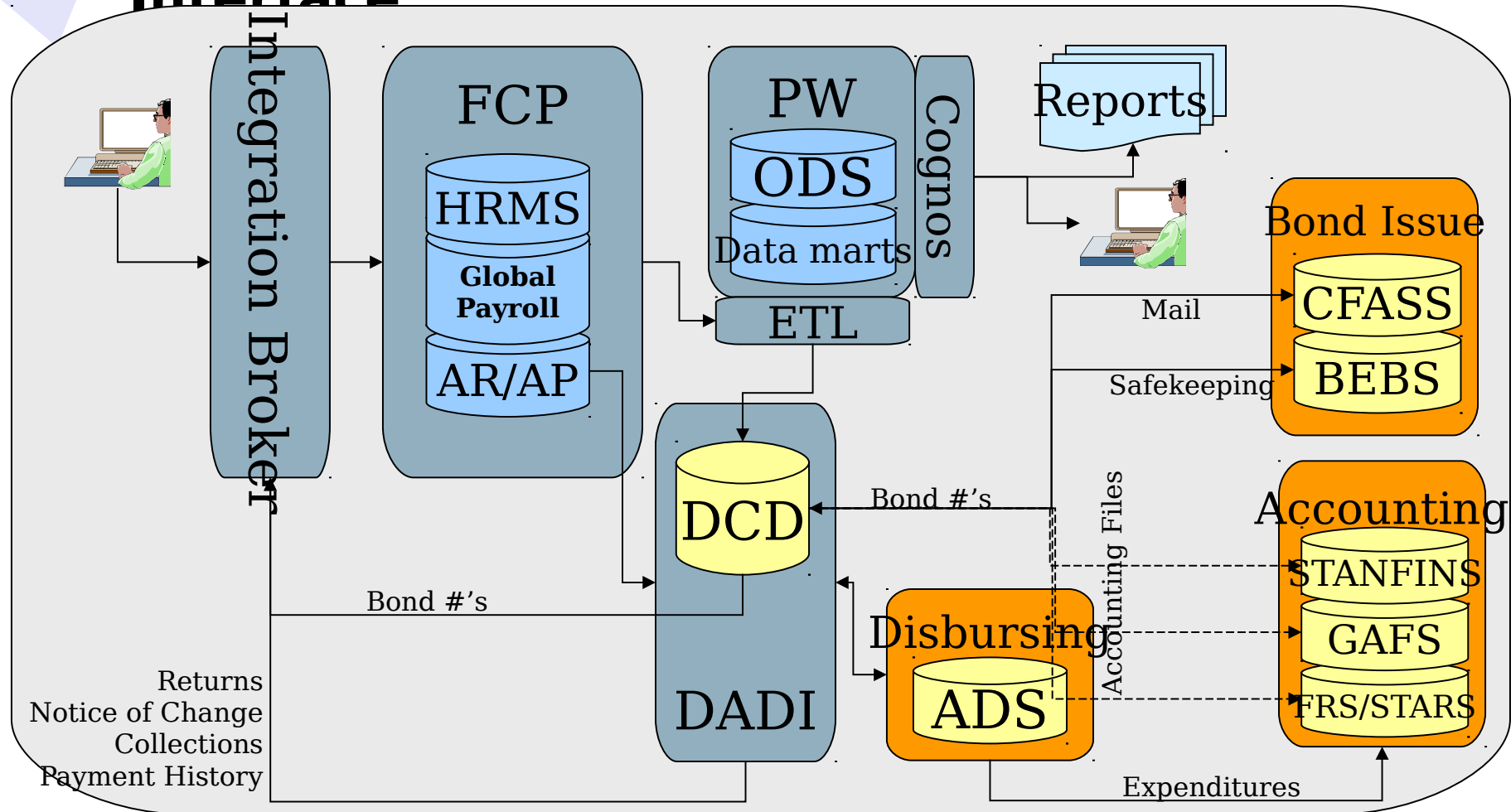
- Focus Group
 - Define access to PeopleSoft Programs
 - Establish Tables with correct Profiles for levels of access
 - Operational Reports
 - DMO and myPay reports remain constant
 - Military Pay and Accounting/Disbursing
 - Regularly scheduled reports for routine operations
 - Query capability for special or emergent requirements
 - Field Finance network
 - DFAS Central sites
 - Services Financial Managers



DADI Interfaces

- FCP Outgoing
 - Accounting File – thru DCD to accounting systems
 - Disbursement File (Request for Pay) – direct to ADS in a format currently used by ADS
 - Bond Issue File (mail & safekeeping) – thru the DCD to CFASS (mail) & BEBS (safekeeping)
- FCP Incoming
 - Returns – direct from ADS in current format
 - Notice of Change – direct from ADS in current format
 - Collections – direct from ADS in current format
 - Payment History – direct from ADS in current format
 - Bond Numbers – thru DCD from CFASS

DFAS Corporate Accounting & Disbursing Interface



FCP - Forward Compatible Payroll

ODS - Operational Data Store

HRMS – Human Resource Management System

- Extract, Transform, Load

AR/AP – Accounts Receivable/Accounts Payable

Entry Bond System

ADS – Automated Disbursing System

Warehouse

CFASS – Centralized Finance & Accounting Support System

DADI - DFAS Corporate Accounting & Disbursing Interface

STANFINS – Standard Financial System

GAFS - General Accounting & Finance System

ETL

BFRS - Book

PW - Pay

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FCP Training

- At deployment, there will be 3 major training tracks available
 - End Users (includes Field Users and a majority of DFAS Central Site Users)
 - Managers (Mostly DFAS Managers and Supervisors)
 - DFAS Analysts and Power Users (DFAS users that will be required to add, modify or change historical information directly in PeopleSoft)
- Most users will only need to take CBT/WBT to understand FCP and any changes



Major Communication Objectives

- Communication Vehicles
 - Conferences
 - Newsletters
 - Site visits
 - Web sites
- Ensure Multi Directional Communication by using Focus Groups and Customer Surveys

Questions?

